

November 3, 1967

The Mayor and Councilmen:

At the request of the Council I have made an examination of the statements supplied to us by Mr. Gordon Stevick, operator of the City-Township Sanitary land fill.

Following is the January 1-September 30, 1967 operating statement supplied to us by Mr. Stevick's accountant:

Equipment allocated to land fill operation.

Road Grader	\$ 3,500.00
Dozer #3 Medium size	5,500.00
Dozer #4 Large size	13,500.00
Dozer #5 Medium to Large	7,500.00
Gar Wood Scraper	2,200.00
Arc Welder	400.00
Air Compressor	750.00
Tool Sheds	250.00
Crane, Hoist, Drag line & Bucket	12,400.00
	<u>\$46,000.00</u>

5 year depreciation \$766.66 per month.

\* on questioning Mr. Stevick he agreed that the actual value could be considered at \$33,000.00

5 year depreciation \$550.00 per month.

US EPA RECORDS CENTER REGION 5



468966

OPERATING STATEMENT  
January 1, 1967 - September 30, 1967

Income

City of Albion	\$12,750.00
Carl Sheffield	2,700.00
Corning Glass Works	500.00
Other dumping and salvage	424.50
Total Income	\$16,374.50

Expense

Payroll	\$ 6,402.33
F.I.C.A. taxes	281.61
Michigan Employment Ins.	172.89
Compensation Ins.	160.02
Gas, oil, grease	1,915.21
Supplies	62.69
Utilities	228.14
Insurance	50.00
Repairs and parts	5,278.17
Taxes	433.51

Excavating	\$ 2,100.00	
Moving Equipment	361.40	
Truck rental	363.00	
Salary, Mr. Stevick	4,500.00	2
Depreciation	6,899.94	3
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Total Expenses		\$29,214.91
Profit or (Loss)		(\$12,840.41)

Footnotes:

1. included in repairs is an item of \$3,871.87 ~~for repair~~ parts to dozer #3. These are used parts which have been expensed at new price parts. Normally 50% of new part prices is considered a proper expense for used parts. However, since Mr. Stevick does his own repairs and labor is not expensed this may be a proper expense.
2. This is not a proper expense.
3. Depreciation has been reduced by \$266.66 per month because of the valuation reduction of equipment which is a total reduction in depreciation of \$1,949.94.

Losses according to Mr. Stevick statement		(\$12,840.41)
Less footnote #2 adjustment	\$4,500.00	
Less footnote #3 adjustment	1,949.99	
Adjusted loss		(\$ 6,390.42)

If consideration is given to footnote #1, losses would be reduced further

Howard Bradley

City Council

Albion, Michigan

Gentlemen:

Supplementing Mr. Bradley's report regarding the profit and loss status of Mr. Stevick's sanitary land fill operation, the following is an attempt to project additional income, if the council approves his request to make charges to commercial users of the site.

His proposed charges to commercial users is as follows:

Pick-up Truck Load	\$1.00
Trucks to 5 yard Capacity	3.00
Trucks from 5 yard to 10 yard capacity	5.00
Trucks 10 to 20 yard capacity	7.00

Trucks over 20 yards would be subject to negotiation.


There would be no charge to residential users who live in areas which contribute to the support of the site. Mr. Stevick said that regular commercial users would be afforded an opportunity to contract on a monthly basis for service.

Using the above charges and using as a guide the survey figures reported last July, it was estimated that the following additional income would be realized:

250 Pickup loads per month	\$250.00
200 1 to 5 yard trucks per month	\$600.00
? Larger Loads	<u>?</u>
Total income per month	\$850.00

Respectfully submitted,

  
Howard Bradley

  
A. F. Glassford